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Chad Conley ▸ Public

Apr 29, 2014



It seems that some confusion still exists when it comes to understanding rebates on bail premiums. I would like to demystify the rebate debate with the following outline:

In November 1988, voters passed Proposition 103, also known as the Insurance Rate Reduction and Reform Act, in an outcry to circumvent skyrocketing insurance premiums. One result of Proposition 103—it repealed certain provisions of the Insurance Code that prohibited premium rebates. However, Section 1851 of the Insurance Code excludes certain classes of insurance from premium rebates; yet "surety" is not one of excluded classes, and bail falls under the surety classification.

In 1995 the State Supreme Court ruled against an attempt to exclude surety from Proposition 103 made by Amwest Surety in the case Amwest Surety Ins. Co. v. Wilson. This decision precluded Amwest Surety's legislative attempts to exclude surety from Proposition laws 103 as well.

Further, Section 2054.4 of the California Code of Regulation, which prohibits rebates in connection with bail transactions, was deemed invalid by a court ruling on the case Pacific Bonding Corporation v. John Garamendi, Insurance Commissioner in February 2004. The ruling was based on the fact that because Section 2054.4 was broader in scope than the provisions in Sections 1800 through 1823 of the Insurance Code (which regulate bail licensure) there was no statutory basis for the regulation; and further, Section 2054.4 tracked the language of certain former Insurance Code Sections that were repealed under Proposition 103, which also repealed statutory basis for the regulation.

Basically, the impact of the above actions on the bail business boils down to the fact that bail bonds are regulated under Proposition 103, which provides for premium rebates as long as they are not unfairly discriminatory. Visit Chad The Bail Guy for more bail bond information.

- See more at: <http://www.chadthebailguy.com>

part 1 <http://youtu.be/0XpzRCIDN6U>

part 2 http://youtu.be/BiJg_2Ft9e4



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EXHIBIT

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Fred Anschutz

05.29.2024



Great information Chad!!!

29,
2014

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Chad Conley

Trust me after the good ol boys club came after my license for trying to save clients money I was forced to study this! Most people know they can do it but don't know why. The other don't want you to know! They prefer price fixing and would prefer to have it back to only one rate of 10% period.

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